

ASSEMBLY BILL

No. 1642

Introduced by Assembly Member Hancock

February 23, 2007

An act to amend Section 14103.5 of the Welfare and Institutions Code, relating to Medi-Cal, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1642, as introduced, Hancock. Medi-Cal: noncontract hospitals.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. Existing law provides that a hospital providing Medi-Cal services on a noncontract basis and that is in a closed health facility planning area is not eligible to receive reimbursement for services provided to a Medi-Cal beneficiary unless the noncontract hospital provides necessary emergency services to a Medi-Cal beneficiary who is in a life threatening or emergency situation, but cannot be sufficiently stabilized in order to facilitate transport to a contracting hospital.

This bill would also permit a noncontract hospital in a closed health facility planning area to receive a Medi-Cal reimbursement when the noncontract hospital is a nonprofit affiliate of a health care service plan, the hospital is providing services medically necessary for a California Children Services (CCS) program-eligible condition to a CSS-eligible patient who is a member of the health care service plan for all other health care services not related to that condition, and the CSS program authorizes the services for that condition.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14103.5 of the Welfare and Institutions
2 Code is amended to read:

3 14103.5. (a) A noncontract hospital that is in a closed health
4 facility planning area is not eligible to receive reimbursement for
5 services provided to a Medi-Cal beneficiary, unless ~~the~~ *either of*
6 *the following apply:*

7 (1) *The noncontract hospital provides necessary emergency*
8 *services to a Medi-Cal beneficiary who is in a life threatening or*
9 *emergency situation, but cannot be sufficiently stabilized in order*
10 *to facilitate transport to a contracting hospital.*

11 (2) *The noncontract hospital is a nonprofit affiliate of a health*
12 *care service plan, the nonprofit hospital is providing services that*
13 *are medically necessary for a California Children Services (CCS)*
14 *program-eligible patient who is a member of the health care service*
15 *plan for all other health care services not related to the CCS*
16 *condition, and CCS authorizes the services for the CCS*
17 *program-eligible condition.*

18 (b) A noncontract hospital in a closed health facility planning
19 area that provides necessary emergency services to a Medi-Cal
20 beneficiary who is in a life threatening or emergency situation, but
21 cannot be sufficiently stabilized in order to facilitate transport to
22 a contracting hospital, may only be reimbursed for those necessary
23 emergency services when it obtains an approved treatment
24 authorization request.

25 (c) Any treatment authorization request submitted for any service
26 classified as a necessary emergency service, which would have
27 been subject to prior authorization had it not been so classified,
28 shall be supported by the attending physician's statement that does
29 all of the following:

30 (1) Describes in detail the nature of the emergency or life
31 threatening situation, including relevant clinical information about
32 the patient's condition.

1 (2) States why the patient could not be sufficiently stabilized
2 for transport to a contracting hospital and why the necessary
3 emergency services rendered were considered to be immediately
4 required. A mere statement that an emergency existed is not
5 sufficient. The treatment authorization request shall be
6 comprehensive enough to support a finding that an emergency or
7 a life threatening situation existed.

8 (3) Contains the signature of the attending physician who had
9 direct knowledge of the emergency described in the statement.

10 (d) For the purposes of this section, “necessary emergency
11 services” are limited to those health services medically necessary
12 for alleviation of severe pain or immediate diagnosis and treatment
13 of unforeseen medical conditions which, if not immediately
14 diagnosed and treated, could lead to significant disability or death.

15 (e) For the purposes of this section, a “noncontract hospital”
16 means a hospital that has not contracted with the department
17 pursuant to Article 2.6 (commencing with Section 14081) for the
18 provision of inpatient services to Medi-Cal beneficiaries.

19 (f) Nothing in this section shall be construed as limiting
20 reimbursement for medically necessary care following stabilization,
21 in the event that a contract hospital does not accept transfer of the
22 patient or pending the transfer to a contract hospital.

23 SEC. 2. This act is an urgency statute necessary for the
24 immediate preservation of the public peace, health, or safety within
25 the meaning of Article IV of the Constitution and shall go into
26 immediate effect. The facts constituting the necessity are:

27 In order to ensure that children receiving Medi-Cal services,
28 who have a CCS-eligible condition, and who are in fragile medical
29 condition, are not needlessly transported from one hospital to
30 another, disrupting families and disrupting continuity of care.